



CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

Testimony Of
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Staff Attorney
Connecticut Business & Industry Association
Judiciary Committee
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My name is Kevin Hennessy. I am a staff attorney for the Connecticut Business and Industry Association (hereinafter "CBIA"). CBIA represents approximately 10,000 member companies in virtually every industry. They range from large, global corporations to small, family owned businesses. Approximately 90 percent of our member companies have fewer than 50 employees.

Thank you for the opportunity to comment on:

SB-487 AAC The Unauthorized Practice of Law; and
HB-5530 AAC The Connecticut Business Corporation Act

Unauthorized Practice of Law

CBIA is opposed to **SB-487, AAC The Unauthorized Practice of Law**, in its current form because it is too broad and could subject licensed attorneys to unauthorized practice of law claims.

CBIA's understanding is that **SB-487** was raised to protect consumers from unscrupulous individuals who presented themselves as lawyers to the public. These individuals impersonated lawyers and preyed on consumers for their personal financial benefit. CBIA strongly believes that this practice should be stopped. Increasing fines and criminal penalties seems to be a proper way to discourage such behavior.

Unfortunately, adopting **SB-487** in its current form could also punish licensed attorneys and subject them to unnecessary unauthorized practice of law claims. CBIA suggests adding protections for corporate attorneys, either in-house or retained counsel, to protect them from potential unauthorized practice of law claims and the potential felony charge that follow.

Specifically, CBIA suggests adding to Section 1 (b) – the permitted activities section – additional permitted activities. They are:

Section 1 (b) (13) Meeting with or advising clients within the state on legal matters not involving Connecticut laws; and



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Section 1 (b) (14) Representing clients in business negotiations conducted within Connecticut.

Unless such changes are made, CBIA respectfully requests that the legislature does not move forward with **SB-487**. The intent behind **SB-487** is to protect individuals from predators that incorrectly portray themselves as lawyers; it is not meant to protect individuals from corporate lawyers that do not represent the public.

For the aforementioned reasons, CBIA urges the committee to reject **SB-487** in its current form.

Model Business Corporation Act

CBIA supports **HB-5530, AAC The Connecticut Business Corporation Act**. The bill amends the Connecticut Business Corporation Act in an effort to track changes to the Model Business Corporation Act.

HB-5530 will promote uniformity with other states and make Connecticut more attractive for public corporations considering whether to organize under Connecticut law or to change their state of organization to another jurisdiction. CBIA supports tracking, where reasonable, the Model Business Corporation Act and urges adoption of this measure.

Thank you for the opportunity to raise our concerns today. I would be happy to answer any questions or discuss the matter further.